



SACHI A. HAMAI  
Interim Chief Executive Officer

County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

July 14, 2015


The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

13 July 14, 2015

  
PATRICK OGAWA  
ACTING EXECUTIVE OFFICER

**APPROVE THE INTRODUCTION AND SCHEDULE FOR ADOPTION  
AN ORDINANCE TO AMEND THE INDUSTRIAL GAS PIPELINE FRANCHISE  
GRANTED TO AIR PRODUCTS AND CHEMICALS, INC.  
BY ORDINANCE NO. 99-0019F, AS AMENDED  
(SECOND AND FOURTH DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Approval of these recommendations will amend the existing industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. by Ordinance No. 99-0019F, as amended, to extend the term of the franchise through December 31, 2017.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that this project is categorically exempt under the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 (Existing Facilities) of the State of California Guidelines for the implementation of the California Environmental Quality Act.
2. Approve the introduction, waive reading, and place on the Board of Supervisor's agenda for adoption on July 21, 2015, the accompanying ordinance that amends the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. by Ordinance No. 99-0019F, as amended, to extend the term of the franchise through December 31, 2017, and make other minor changes to clarify certain provisions in the ordinance.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of these recommended actions is for the County of Los Angeles (County) Board of Supervisors (Board) to approve the introduction, and schedule for adoption, an ordinance to amend the industrial gas pipeline franchise granted to Air Products and Chemicals, Inc. (Air Products) by Ordinance No. 99-0019F, as amended, to extend the term of the franchise through December 31, 2017, and make other minor changes to clarify certain provisions in the ordinance.

Adopting the accompanying ordinance to amend the Air Products franchise will avoid the expiration of the franchise in December 2015, and allow additional time for the Chief Executive Office (CEO) and County Counsel to obtain Board approval of proposed updates to the County's franchise regulations in County Highway Code (Title 16), prior to renewing the Air Products franchise for a longer term.

## **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1) directs that we maximize the effectiveness of processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services. Adopting an ordinance to amend the Air Products franchise is consistent with this goal.

## **FISCAL IMPACT/FINANCING**

As required in County Code (Section 16.52.200.A), Air Products has paid the County a one-time fee of \$5,000 to process an ordinance to amend the Air Products franchise, and will continue to pay the County an annual franchise fee based upon the linear footage formula contained in the Air Products franchise. Air Products paid the County an annual franchise fee of \$3,511 for the 2014 calendar year.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On March 23, 1999, the Board adopted Ordinance No. 99-0019F granting an industrial gas pipeline franchise to Air Products for a term through April 22, 2014, and on March 18, 2014, the Board adopted Ordinance No. 2014-0012F, extending the term of the franchise through December 31, 2015. Adopting the accompanying ordinance will extend the term of the Air Products franchise through December 31, 2017.

Air Products transports hydrogen from its plant in Wilmington to oil refineries located in the South Bay area (Carson and El Segundo) through pipelines it maintains and operates in County highways located in the West Carson unincorporated area.

## **ENVIRONMENTAL DOCUMENTATION**

This project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

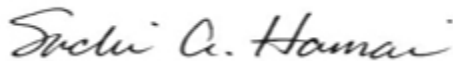
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This project will not impact or negatively affect any current services or future projects. The Department of Public Works has reviewed this recommendation and expressed no objection. County Counsel has reviewed and approved as to form the ordinance to amend the Air Products franchise.

**CONCLUSION**

It is requested that the Executive Office, Board of Supervisors, return conformed copies of this adopted recommendation, and the certified ordinance to: Mr. Gary Kinsey, Global Real Estate Manager, Air Products & Chemicals, Inc., 12600 Northborough Drive, Suite 196, Houston, TX 77067-3293, and the offices of County Counsel, Public Works, and the CEO, Real Estate Division.

Respectfully submitted,



SACHI A. HAMAI  
Interim Chief Executive Officer

SAH:TT:CMM  
KW:RB:ls

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Public Works